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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Amendment of Section 73.202(b)	)	MM Docket No. 01-62
Table of Allotments,	)	RM-10053
FM Broadcast Stations	)	RM-10109
(Ardmore, Brilliant, Brookwood, Gadsden, Hoover,	)	RM-10110
Moundville, New Hope, Pleasant Grove,	)	RM-10111
Russellville, Scottsboro, Troy, Tuscaloosa and	)	RM-10112
Winfield, Alabama; Okolona and Vardaman	)	RM-10113
Mississippi, Linden, McMinnville, Pulaski	)	RM-10114
and Walden, Tennessee	)	RM-10116

To: Media Bureau

PETITION FOR RECONSIDERATION AND
JOINT REQUEST FOR
APPROVAL OF OPTION AGREEMENT

STG Media, LLC ("STG") and Pulaski Broadcasting, Inc. ("PBI") (collectively, the "Joint Petitioners"), by counsel and pursuant to Section 1.429 of the Commission's Rules, hereby request reconsideration of the ***Report and Order*** released August 30, 2002 ***("Report and Order")*** in the above-referenced proceeding. The Joint Petitioners also hereby submit for Commission approval their Option Agreement, entered into in accordance with Section 1.420(j) of the Commission's Rules. Upon reconsideration by the Allocations Branch, STG requests that the Commission: (1) rescind the allotment of Channel 278A to New Hope; and instead (2) adopt the proposal in the Notice of Proposed Rulemaking to substitute Channel 278A at Scottsboro, Alabama, allocate Channel 252C1 to Ardmore, Alabama and modify the authorizations for WKEA-FM at Scottsboro and WKSR-FM, Pulaski, Tennessee to operate in Ardmore, accordingly.[1] In support whereof, STG Media respectfully shows as follows:

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[1] **PBI** is the licensee of WKSR-FM.

BACKGROUND

1. On October *6,* 2000, Capstar TX Limited Partnership and Jacor Licensee of Louisville, 11, Inc. (the "Petitioners") filed a ***Petition for Rule Making*** (the ***"Petition")*** specifying eight interrelated proposals requesting, among other things, changes in the communities of license for several radio stations in Alabama, Mississippi and Tennessee. The Audio Division issued a ***Notice of Proposed Rule Making*** ("*NPRM*") in connection with the ***Petition*** on March 2, 2001.

2. The ***Petition*** proposed substituting Channel 252C1 for Channel 252A at Pulaski, Tennessee, with reallotment of Channel 252C1 to Ardmore, Alabama and modification of the WKSR-FM station license to specify operations accordingly. To accommodate this proposal, the Petitioners proposed substituting Channel 278A for Channel 252A at Scottsboro, Alabama and modification of station WKEA's facility accordingly.* STG Media filed its "Comments and Counterproposal" in connection with the *NPRM* on April 24,2001 (the "STG Counterproposal"). The STG Counterproposal sought the allocation of Channel 278A to New Hope, Alabama, which was mutually exclusive with the proposed Channel 278A allotment for Scottsboro. The proposals for New Hope and Ardmore proposed a first local service to a new community. The Counterproposal asserted, as the Commission concurred in the ***Report and Order,*** that the allotment to New Hope represented a preferential arrangement of allotments over the allotment to Ardmore because of New Hope's larger population; however, the Counterproposal did not challenge the Ardmore proposal on its own merit. In fact, the ***NPRM*** concluded that Ardmore qualified as a community for allotment purposes. The withdrawal of STG's Counterproposal

permits the Commission to make the changes in the FM Table of Allotments to Scottsboro and Ardmore and modify the authorizations for WKEA and WKSR-FM accordingly.

3. Since the issuance of the Report and Order, PBI, and STG have entered into an Option Agreement effective on October 11,2002 for the sale of station WKSR-FM to STG (the "Option Agreement").[3] The Option Agreement gives STG the option to purchase all outstanding company shares of PBI, but does not require STG to exercise the option until the issuance of a final FCC order authorizing the station to operate on Channel 252C1 at Ardmore, Alabama. Such an order cannot be issued, however, with the existing allotment adopted for New Hope in the ***Report and Order,*** which is mutually exclusive with the Ardmore allotment.

PETITION FOR RECONSIDERATION

4. With respect to the changed circumstances detailed ***supra,*** the Joint Petitioners respectfully request the grant of the instant Petition for Reconsideration. STG wishes to withdraw its interest in the New **Hope** allotment contingent upon Commission approval **of** the Option Agreement in its entirety and upon allocation of Channel 252C1 to Ardmore, Alabama commensurate with the proposal in the *NPRM.* PBI wishes to express its continued interest in the allotment to Ardmore for purposes of the Option Agreement. The withdrawal of STG's interest in New Hope leaves only the proposal for Ardmore and Scottsboro before the Commission for consideration. Because the proposal would provide a first local service to Ardmore and would not deprive the community of Pulaski of an existing radio service, the Commission should grant the proposal.

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[2] The proposed change in frequency for WKEA (FM) required additional changes to the FM Table of Allocations, all **of** which were granted by the ***Report and Order.***

[3] **A** copy of the Option Agreement is attached hereto as Exhibit 1.

5. STG's withdrawal of its interest in the New Hope allotment complies with Commission precedent. In the instant proceeding, STG submitted the sole expression of interest in the New Hope allotment; no other validly submitted comments or reply comments indicated an expression of interest by any other party for this allotment. A party filing a counterproposal in an allotment proceeding may by petition for reconsideration request recission of the requested allotment that formed the basis of the counterproposal absent valid expressions of interest submitted by other parties: Because the Commission "will not allot a channel in the absence of an expression of interest," withdrawal of the sole expression of interest in a particular allotment justifies recission of that allotment so as to prevent the channel from remaining vacant for an unspecified period.[5] Concurrent with the deletion of the New Hope, Alabama allotment, the Joint Petitioners respectfully request that the Commission adopt the *NPRM's* proposed reallocation of Channel 252A from Pulaski, Tennessee to Ardmore, Alabama as Channel 252C1. Accordingly, reconsideration is warranted pursuant to these changed circumstances and the public-interest considerations discussed in this pleading, in accordance with to Section 1.429 of the Commission's Rules.[6]

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4 ***See Mount Pleasant and Bogata, Texas,* 16** FCC Rcd 7858 (Alloc. Branch, 2001) (granting recission of allotment requested by counterproposing party after party filed Petition for Reconsideration of implementing Report and Order.)

5 ***See Detroit, Howe*** *and* ***Jacksboro, Texas,*** 13 FCC Rcd 15591 (1998).

6 Section 1.429 permits grant of a Petition for Reconsideration in a notice and comment proceeding based on facts not previously presented to the Commission if (1) the facts relied upon relate to events that have occurred or circumstances which have changed since the last opportunity to present them to the Commission, (2) the facts relied upon were unknown to the petitioner until after the last opportunity to present them to the Commission, and the petitioner could not through the exercise of ordinary diligence have learned of the facts in question prior to such Opportunity, or (3) if the Commission determines that consideration of the facts relied on is required in the public interest. See 47 **C.F.R.§** 1.429.

JOINT REOUEST FOR APPROVAL OF THE OPTION AGREEMENT

6. STG and PBI request Commission approval of their Option Agreement, which has been entered into in accordance with Section 1.420(j).[7] The Option Agreement provides that neither STG nor its principals have received or will receive any money or other consideration in excess of legitimate and prudent expenses in exchange for the dismissal or withdrawal of the expression of interest.' Granting the Option Agreement and approving the proposed channel substitution serves the public interest because it will expedite new service to the public in Ardmore,' represents a preferential arrangement of allotments under the FM priorities through the provision of a new first local service to Ardmore,[10] and resolves two mutually exclusive proposals in this rule making proceeding, thereby conserving the scarce resources **of** the Commission and the public. The Option Agreement is offered for approval in support of the Petition for Reconsideration.

7. As the benefiting party for the change in frequencies for Scottsboro, STG and PBI are required to reimburse the licensee of Station **WKEA,** Scottsboro, Alabama for the reasonable costs of changing frequencies to accommodate the reallocation of WKSR-FM from Pulaski to

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[7] This section requires a party seeking to withdraw an expression of interest in a proceeding to amend the FM Table of Allotments to file with the Commission a request for approval of the withdrawal. See 47 C.F.R. § 1.420(j). The request must include a copy of any written agreement relating to the withdrawal and affidavits relating to the receipt of money or other consideration in exchange for the withdrawal. *Id.* The required declarations are attached as Exhibit 1.

[8] **See** Declaration of Steven Shelton, and the Declaration of Hershel Lake, attached to this Petition as Exhibit 1.

[9] Conversely, reasonable estimates **are** that the Commission cannot issue a construction permit for the successful New Hope applicant for at least two years, with an additional three years for the permittee to construct the new facilities.

[10] Assuming the Commission grants STG's request to withdraw its expression of interest in New Hope.

Ardmore.[11] STG and PBI hereby state their intention to make such reimbursement if the Commission grants the requested relief.[12]

CONCLUSION

The premises considered, STG Media, LLC and Pulaski Broadcasting, Inc. respectfully request that the Media Bureau reconsider its action and grant the relief requested herein.

Respectfully submitted,

STG Media, LLC

By:

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Its Attorneys

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[11] ***See Circleville, Ohio,*** *8* FCC Rcd **159 (1967);** see also ***Hobbs,*** *Tatum* ***and*** *Jal,* ***New Mexico***, **12** FCC Rcd **11393 (1997).**

[12] **See** Declaration of Steven Shelton and the Declaration of Hershel Lake. Long-standing Commission policy requires a benefiting party to reimburse an affected station whenever an existing licensee *or* **permittee** is ordered to change frequencies involuntarily to accommodate a new channel allotment.

Pulaski Broadcasting, Inc.

By: Robert S. Stone /s/ dso

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McCampbell and Young
P.O. Box 550
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(865) 637-1440

Its Attorneys

October 15,2002

Exhibit 1

OPTION AGREEMENT

This Option Agreement ("Agreement"), dated as of October 11, 2002, by and between S. Hershel Lake, Geraldine Vaughn Lake, Steven C. Lake, and David C. Lake (collectively, the "Shareholders"), who constitute all of the Shareholders of Pulaski Broadcasting, Inc. (the "Company"), a Tennessee corporation, and STG Media, LLC, a Florida limited liability company (the "Purchaser"). The Lakes are sometimes referred to herein individually as a "Shareholder" and collectively as the "Shareholders." Shareholders, Company and Purchaser are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

WITNESSETH

WHEREAS, the Company owns, operates, and is the licensee of FM Radio Broadcast Station WKSR-FM, 98.3 MHz, Channel 252A, Facility Identification Number 53875, Pulaski, Tennessee (the "Station"), and is the owner of certain property used or useful in connection with the ownership and operation of the Station;

WHEREAS, the Company owns, operates, and is the licensee of AM Radio Broadcast Station WKSR, 1420 kHz, Facility Identification Number 53874, Pulaski, Tennessee (the "AM Station"), and is the owner of certain property used or useful in connection with the ownership and operation of the AM Station;

WHEREAS, the total authorized, issued and outstanding equity securities of the Company consist of One Thousand (1,000) shares of common stock par value One Dollar ($1.00) per share (the "Company Shares");

WHEREAS, the Shareholders own all of the issued and outstanding shares of common stock of the Company;

WHEREAS, the Shareholders desire to sell, and the Purchaser desires to purchase, all of the Company Shares pursuant to the terms and conditions set forth herein;

WHEREAS, the Company Shares and ownership control may not he transferred without the prior written consent of the Federal Communications Commission ("FCC"); and

WHEREAS, the Parties have mutually exclusive proposals before the FCC in MM Docket No. 01-62 and the Parties desire to resolve the mutual exclusivity so that the Station may operate on Channel 252C1 at Ardmore, Alabama (the "WKSR-FM Community Change").

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made and the representations, warranties covenants herein contained, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1
OPTION TO ACOUIRE THE COMPANY SHARES

1.1 Basic Transaction. In exchange for the consideration specified in Section 1.2, Shareholders hereby grant Purchaser an exclusive option to purchase all of the Company Shares pursuant to the terms and conditions of this Agreement (the "Option"). The Company Shares are now (and at the time of Closing will be) owned beneficially and of record by Shareholders and do (and will at Closing) represent one hundred percent (100%) of the issued and outstanding shares of capital stock of the Company.

1.2 Consideration for Option. For and in consideration of the keeping by the parties of their respective obligations contained herein, which includes the granting of the Option by the Shareholders, and (i) the withdrawal of Purchaser's expression of interest in the New Hope, Alabama allocation in MM Docket No. 01-62; (ii) Purchaser's reimbursement to the Company for the Company's expenses to effectuate the WKSR-FM Community Change; (iii) Purchaser's reimbursement of the licensee of WKEA-FM, Scottsboro, Alabama to change frequencies in order to effectuate the WKSR-FM Community Change; (iv) Purchaser's cooperation and good faith efforts in implementing the terms and conditions of this Agreement; and (v) the Five Thousand Dollars already paid to the Shareholders upon signing of the Letter of Intent and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to the following terms and conditions.

1.3 Exercise of Option. Expiration. The Option shall expire ninety (90) days after: (i) the issuance of a Final Order by the FCC of a license for the Station to operate on Channel 252C1 at Ardmore, Alabama; or (ii) the issuance of a Final Order by the FCC denying the WKSR-FM Community Change, whichever event occurs sooner (the "Option Period"). The Purchaser may exercise the Option at any time during the Option Period. To exercise the Option, Purchaser shall give written notice to Shareholders within the Option Period. Except as expressly set forth herein if the Option expires unexercised, then neither Party shall have any further obligations under this Agreement and the Agreement shall so terminate. For purposes of this Agreement, the term "Final Order" means an action by the FCC as to which: (i) no request for stay by the FCC is pending, no such stay is in effect, and any deadline for filing a request for any such stay has passed; (ii) no appeal, petition for rehearing or reconsideration, or application for review is pending before the FCC and the deadline for filing any such appeal, petition or application has passed; (iii) the FCC has not initiated reconsideration or review on its own motion and the time in which such reconsideration or review is permitted has passed; and (iv) no appeal to a court, or request for stay by a court, of the FCC's action is pending or in effect, and the deadline for filing any such appeal or request has passed.

1.4 Mutual Interdependency. "Ancillary Agreements" shall mean the following: (i) the Stock Purchase Agreement; (ii) the Nan-Competition Agreement; (iii) the Local Marketing Agreement; (iv) the Farmers Escrow Agreement; (v) the Colonial Bank Escrow Agreement; (vi) the Promissory Note; (vii) the WKEA Reimbursement Agreement; and (viii) all other agreements, instruments, certificates and other documents to be executed and delivered by Purchaser, Shareholders and Company and their respective Affiliates (as hereinafter defined) pursuant to the terms of the foregoing. The transactions for the purchase of the Company Shares, and the execution and delivery of the Ancillary Agreements are mutually interdependent. Purchaser shall not be obligated to purchase any Company Shares unless (a) the Company and all Shareholders have performed their obligations under this Agreement and the Ancillary Agreements; and (b) the appropriate parties to the Ancillary Agreements (other than Purchaser) have executed the Ancillary Agreements. No Shareholder shall be obligated to sell his Company Shares to the Purchaser unless the Purchaser has executed and performed its obligations under this Agreement and the Ancillary Agreements.

ARTICLE II
PURCHASE PRICE; ESCROW AGREEMENTS

2.1 Purchase Price. Purchaser agrees to pay to Shareholders, as partial consideration for the Company Shares, the amount of Two Million, Two Hundred and Five Thousand Dollars ($2,205,000.00) (the "Purchase Price") as follows:

(i) Five Thousand Dollars ($5,000.00) upon execution of the Letter of Intent between the parties dated September 27,2002.

(ii) Two Million Dollars ($2,000,000.00) by electronic transfer of funds on the Closing Date.

(iii) Two Hundred Thousand Dollars ($200,000.00), plus interest, from the Farmers Bank Escrow, by electronic transfer of funds on the Closing Date.

2.2 Promissory Note. In addition to the Purchase Price, Purchaser further agrees to execute a Promissory Note in the amount of Two Million Dollars ($2,000,000.00), at an annual interest rate of five percent (5%), to be paid in equal monthly installments for a term of sixty (60) months (with respect to the total price paid for the Company Shares the Parties agree that such amount shall be allocated to good will and the Non-Competition Agreement, prohibiting the Shareholders from competing with STG in Madison County, Alabama for such term). The Promissory Note and the Non-Competition Agreement shall be executed on the Closing Date. As collateral security for the prompt and complete payment of the Promissory Note, the Shareholders shall be granted a security interest in the assets used and/or usable in the operation of WKSR-FM in accordance with the WKSR-FM Community Change, subordinate to (1) Purchaser's lenders; (2) suppliers of the assets to effectuate the WKSR-FM Community Change; and *(3)* consistent with the FCC's Rules and policies regarding security interests in radio broadcast stations.

2.3 Farmers Bank Escrow. Contemporaneously with the execution of this Agreement, Purchaser shall deposit the sum of Two Hundred Thousand Dollars ($200,000.00) (the "Farmers Bank Escrow") with First Farmers and Merchants Bank, Pulaski, Tennessee (the "Farmers Bank Escrow Agent"), to be held, along with all accrued interest thereon, by Farmers Bank Escrow Agent pursuant to the terms and conditions of the Farmers Bank Escrow Agreement attached hereto as Exhibit **A** (the "Farmers Bank Escrow Agreement"). The Farmers Bank Escrow shall be invested in interest bearing accounts (cash or treasury) mutually acceptable to all Parties. At the Closing, the Farmers Bank Escrow plus, all accrued interest thereon, shall be disbursed by the Farmers Bank Escrow Agent to the Shareholders by wire transfer of immediately available funds to an account or accounts designated in writing by the Shareholders. If the Closing does not occur due to a material breach of this Agreement or the Ancillary Agreements by Purchaser, then the Farmers Bank Escrow, plus all accrued interest thereon, shall be disbursed to the Shareholders, provided that the Shareholders are not in material default of this Agreement or the Ancillary Agreements.

2.4 Colonial Bank Escrow. Contemporaneously with the execution of this Agreement, the Shareholders shall deposit the sum of Fifty Thousand Dollars ($50,000.00) (the "Colonial Bank Escrow") with Colonial Bank, Daytona, Florida (the "Colonial Bank Escrow Agent"), to be held, along with all accrued interest thereon, by Colonial Bank Escrow Agent pursuant to the terms and conditions of the Colonial Bank Escrow Agreement attached hereto as Exhibit B (the "Colonial Bank Escrow Agreement"). The Colonial Bank Escrow shall be invested in interest bearing accounts (cash or treasury) mutually acceptable to all Parties. At the Closing, the Colonial Bank Escrow, plus all accrued interest thereon, shall be returned by the Colonial Bank Escrow Agent to the Shareholders by wire transfer of immediately available funds to an account or accounts designated in writing by the Shareholders. If the Closing does not occur due to a material breach of this Agreement or the Ancillary Agreements by the Shareholders, then the Colonial Bank Escrow, plus all accrued interest thereon, shall be disbursed to Purchaser, provided that Purchaser is not in material default of this Agreement or the Ancillary Agreements.

ARTICLE III
ACTIONS DURING THE OPTION PERIOD

3.1 WKSR-FM Community Change. By October 15, 2002, the Parties shall file with the FCC all necessary pleadings seeking the withdrawal of Purchaser's counterproposal for New Hope, Alabama, together with all papers required by Section 1.420(j) of the FCC's Rules or otherwise required or requested by the FCC in order to implement the WKSR-FM Community Change.

3.2 Relocation Applications. Within sixty days (60) after the FCC adopts a Final Order issuing the WKSR-FM Community Change, the Company shall file with the FCC its application for construction permit for the Station to implement the WKSR-FM Community Change (the "Relocation Permit"). Within sixty days (60) after the FCC adopts a Final Order issuing the Relocation Permit, the Company shall file with the FCC its application for license for the Station to implement the WKSR-FM Community Change (the "Relocation License). The applications shall specify a tower site acceptable to Purchaser. Purchaser, in its sole discretion, may waive the requirement that the FCC issue a Final Order for the WKSR-FM Community Change and the Company shall file the application for the Relocation Permit within sixty days after the FCC issues its Memorandum, Opinion and Order granting the WKSR-FM Community Change and the Company shall file the application for the Relocation License within sixty (60) days after the FCC issues its Relocation Permit. The applications for the Relocation Permit and Relocation License may be referred to herein collectively as the "Relocation Applications." The

Purchaser shall indemnify and reimburse the Company for its reasonable expenses associated with the Relocation Applications and constmcting facilities for the Station in order to operate pursuant to the Relocation Permit and/or Relocation License, including advancing funds to the Company, as necessary. The Company shall have title to the equipment until the Closing. If the Closing does not occur, the Company shall pay the Purchaser the full price for the costs of constrncting the facilities or in the alternative, the Company shall sell the equipment to the Purchaser for One Dollar ($1.00), within sixty (60) days of termination of this Agreement. Upon the Station commencing operations pursuant to the WKSR-FM Community Change, the Station's call sign shall be modified to a call sign sufficiently dissimilar to "WKSR' as shall be agreed upon by Purchaser and the Company, and as approved by the FCC.

3.3 Stock Purchase Agreement. The Parties shall enter into the Stock Purchase Agreement (the "SPA") and the Local Marketing Agreement (the "LMA") within ninety (90) days of execution of this Agreement. The SPA and the LMA shall include the normal and customary terms for such agreements, and shall be consistent with the terms and conditions of this Agreement. The SPA shall include the consideration specified in Article II of this Agreement. The LMA shall include terms as set forth in Section 3.6 below.

3.4 Transfer Application Within sixty (60) days after the Company commences Program Test Authority ("PTA") for the Station pursuant to the Relocation Permit and the Company has filed the application for the Relocation License, the Parties shall file with the FCC an application seeking FCC consent to the transfer of control of the Station from the Shareholders to Purchaser (the "Transfer Application"). The Company shall commence PTA concurrent with or prior to the filing of the Relocation License. Purchaser, in its sole discretion, may waive the requirement that the FCC issue a Final Order for the Relocation Permit and require the Parties to file the Transfer Application sooner.

3.5 WKEA Reimbursement Agreement. The Parties shall negotiate a reimbursement agreement with the licensee of WKEA-FM, Scottsboro, Alabama, if required, to effectuate the WKSR-FM Community Change (the "WKEA Reimbursement Agreement"). Purchaser shall be responsible for payments under the WKEA Reimbursement Agreement, hut only if control of the Station is transferred to Purchaser.

3.6 Local Marketing Agreement. The Parties shall enter into an LMA that shall begin upon completion of construction and commencement of PTA by the Station pursuant to the terms and conditions of the Relocation Permit and the issuance of a Final Order for the Relocation Permit, and terminate on the Closing Date. Purchaser, in its sole discretion, may waive the requirement that the FCC issue a Final Order for the Relocation Permit prior to commencing the LMA. The LMA shall include the normal and customary terms for such an agreement, including the requirement that Purchaser reimburse the Company for all normal out of pocket operating expenses incurred by the Company for the operation of the Station during the LMA, that Purchaser shall provide programming for the Station during the LMA, that Purchaser shall retain all revenue from the sale of advertising on the Station, and that Purchaser shall be responsible for Purchaser's programming and sales operating expenses. Beginning with the ninth month following commencement of the LMA, Purchaser shall pay the Company a monthly time brokerage fee of Two Thousand Five Hundred Dollars ($2,500.00), which amount shall be increased to Five Thousand Dollars ($5,000.00) per month on the one year anniversary of the commencement of the LMA. The monthly time brokerage fee shall be in addition to the Purchaser's obligations to reimburse the Company for its out of pocket operating expenses.

3.7 Full Cooperation The Parties shall use their best efforts towards the prompt grant of the WKSR-FM Community Change, the Relocation Applications, and the Transfer Application; agree to cooperate in vigorously prosecuting the WKSR-FM Community Change, the Relocation Applications, and the Transfer Application; and will interpose no objections or take any actions that could prevent the WKSR-FM Community Change, the Relocation Applications, and the Transfer Application. The Parties will take all reasonable actions to respond to any oppositions, petitions to deny, or other objections filed with respect to the WKSR-FM Community Change, the Relocation Applications, and the Transfer Application, and shall reasonably cooperate with each other and the requests of the other Party to coordinate the submission of pleadings, applications and related filings with the FCC. The Parties shall cooperate, use their best efforts, and take all reasonable actions to implement any and all agreements and transactions necessary for this Agreement, including, but not limited to, the Ancillary Agreements. The Parties shall not be in violation of this provision if their failure to perform is due to events beyond their control or acts of God.

3.8 Notification Each Party shall promptly notify the other party hereto in the event it is or becomes aware of any other facts, actions, communications, or occurrences that might directly or indirectly affect the Parties' intent or ability to effect prompt FCC approval of the transactions contemplated by this Agreement.

3.9 Restrictions on Transfer. During the terms of this Agreement, neither the Company nor Shareholders shall, without the prior written consent of Purchaser, transfer (whether by sale, gift, assignment, or any other disposition) any license, permit or authorization issued or granted by the FCC for the ownership and operation of the Station (the "Station Licenses"), or any assets, whether tangible or intangible, real, personal or mixed, that are used in the operation of the Station, including, hut not limited to, the Station Licenses and Station assets necessary for the WKSR-FM Community Change (the "Station Assets"), except that the Company shall have the right to replace the Station's equipment in the ordinary course of business. Shareholders shall not, without the prior written consent of Purchaser, transfer (whether by sale, gift, assignment, or other disposition) any of the Company Shares. The Shareholders shall not, without the prior written consent of Purchaser (which consent shall not be unreasonably withheld) transfer (whether by sale, gift, assignment, or other disposition) any of the Company Shares to immediate family member(s) or to an entity or entities controlled by the Shareholders or to the estate of the Shareholders, provided that said family members(s), entity or entities, and/or estate(s) will hold one hundred percent (100%) of the equity ownership of the Station and shall expressly agree to be bound by the terms hereof.

3.10 Change Agreements. Purchaser shall have the right to negotiate any agreements with owners of other stations affected by the WKSR-FM Community Change on such terms as Purchaser, in its sole discretion, determines to be appropriate, so long as Purchaser does not create any obligation on the part of the Company or the Shareholders in so doing, without the prior written consent of the Company and the Shareholders, whose consent shall he at the sole discretion of the Company and the Shareholders.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF SHAREHOLDERS

4. Representations and Warranties of Shareholders. Shareholders hereby represent and warrant to Purchaser as follows:

4.1 Power and Authority. Shareholders are individuals acting on their own behalf. Shareholders have good, valid, marketable and indefeasible title to own the Company Shares. Shareholders warrant that each Shareholder and the Company presently have and shall have full power and authority to execute, and deliver this Agreement and the Ancillary Agreements and to perform their obligations hereunder and thereunder.

4.2 Binding Ohliration: Consent. This Agreement constitutes a valid and binding agreement and an obligation of the Shareholders and the Company, enforceable in accordance with its terms and conditions. The execution, delivery and performance by the Shareholders and Company of this Agreement and the Ancillary Agreements will not require the consent, approval, or authorization of any person, entity or governmental authority other than the FCC.

4.3 Noncontravention Neither the execution and delivery of this Agreement and the Ancillary Agreements, nor the performance of shareholders' and the Company's obligations thereunder, will in any material respect: (i) violate any statute, regulation, rule, writs, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which the Company, Shareholders, or any of the Station Assets, including, but not limited to, the Station Licenses, are subject; (ii) conflict with, or result in a breach of, constitute a default under, conflict with or result in the termination or alteration *of,* the provisions of any agreement or other instrument to which the Shareholders or the Company are a party or by which the property of the Shareholders or the Company is bound or affected, or create any lien, charge or encumbrance upon the Station Licenses, Company Shares or the Station Assets under any agreement or instrument to which the Company or the Station Assets are bound; or (iii) will not accelerate any obligation of the Company or of any Shareholder.

4.4 Company Shares. Shareholders hold of record and own beneficially all of the Company Shares. The Company Shares have been duly authorized and validly issued and are fully paid and nonassessable. The Company Shares are free and clear of any restrictions including: transfer (other than the restrictions under the Securities Act and state securities laws), taxes, security interests, liens, encumbrances, restrictions, claims, equities, options, warrants, rights, contracts, puts, calls, commitments, and demands. Purchaser shall, upon closing, acquire good, valid, marketable and indefeasible title thereto, free and clear of all liens, encumbrances, equities, claims, restrictions, security interests, voting trusts or other defects of title whatsoever. Shareholders are not a party *to:* (i) any option, warrant, right, contract, call, put, or other arrangement or commitment for the disposition or acquisition of any capital stock of the

Company (other than this Agreement and the Ancillary Agreements); or (ii) any voting trust, proxy, or other agreement or understanding with respect to the voting of any capital stock of the Company. No legend or other reference to any purported encumbrances appears upon any certificate representing the Company Shares. Other than this Agreement and the Ancillary Agreements, there are no contracts relating to the issuance, sale or transfer of the Company Shares. The sale of the Company Shares does not require any further regulatory approvals or notifications other than approval of the FCC.

4.5 Organization. Qualification, and Corporate Power. The Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of Tennessee. The Company has full corporate power and authority under its Articles of Incorporation, By-Laws and all applicable laws to carry on its business in which it is engaged and to own and use all the properties owned and used by it. The Company is not in default under or in violation of any provision of its charter or By-Laws. No aspect of the Company's business, operations or activities, including without limitation, the Company's operations, require or would require the Company to register as a foreign corporation in any other jurisdiction.

4.6 Station Licenses and Compliance with FCC Requirements. With respect to the Station Licenses: (i) the Station Licenses and any renewal and extensions thereto, are valid and in full force and effect and include all those material authorizations from the FCC necessary to operate the Station as it is currently operated; (ii) the Station is being operated, in all material respects, in accordance with the terms and conditions of the Station Licenses and the FCC's rules and policies; (iii) the Company is an FCC licensee in good standing and there are no proceedings or material complaints pending at the FCC as of the date hereof, or, to the knowledge of Shareholders, threatened before the FCC or any other governmental authority to vacate, revoke, refuse to renew or modify the Station Licenses or relating to the business or operation of the Station; (iv) the Company has duly and timely filed with the FCC all material reports, applications, documents, instruments, and other information required to be filed with respect to the Station (the "FCC Filings") and such FCC Filings are true, correct and complete in all material respects; and (v) except for the requirement that the FCC approve the Transfer Application, the Company and the Shareholders know of no facts which, under the Communications Act of 1934, as amended, or the FCC's Rules, would prevent the Company from transferring the Station Licenses and the Company Shares to Purchaser. The Company and the Shareholders shall maintain the Station Licenses in compliance with the FCC Rule's and policies through the Closing Date, both for the present licensed facilities and for the facilities pursuant to the WKSR-FM Community Change.

4.7 Litigation Neither the Company nor the Shareholders: (i) are subject to any unsatisfied judgment, order, decree, stipulation, or charge which would enjoin, prohibit or otherwise challenge the transactions contemplated hereby; (ii) are a party or threatened to be made a party to any pending judicial litigation, action, suit or proceeding involving the business or the Station and which might reasonably be expected to enjoin, prohibit or otherwise challenge the transactions contemplated hereby; and (iii) are in compliance in all material respects with all applicable statutes and regulations of all governmental authorities an agencies having jurisdiction over the Company and which relate to the Station. There are no factors or circumstances which might reasonably be expected to be the basis of any judicial action, suit or proceeding involving the business or operation of the Station and which, if adversely determined, might reasonably be expected to enjoin, prohibit or otherwise challenge the transactions contemplated hereby.

4.8 Time Brokerage Agreement. The Company has not entered into a Time Brokerage Agreement for the Station and has no written or oral understanding for a Time Brokerage Agreement for the Station. The Company shall not, without the express written consent of the Purchaser, enter into any broadcast time sales agreement, contract, commitment or understanding other than those that are in the ordinary and customary course of business and consistent with the Company's past practice. No commitment or contract for the sale of broadcast time, or for trade and barter for the Station, shall extend past the start of the LMA period for the Station without the express written consent of the Purchaser.

4.9 No Material Misrepresentations. Neither this Agreement, the Ancillary Agreements nor any supporting documentation or certificate presented by the Company *or* Shareholders in connection herewith and therewith, contains or will contain, any untrue statement of a material fact, or omits or will omit to state a material fact necessary to make the statements contained therein not misleading. All representations and warranties of the Company and the Shareholders set forth in this Agreement and the Ancillary Agreements shall be true, complete and accurate in all material respects as of the Closing Date as if made on that date. Moreover, no representation or warranty shall be made by the Shareholders or the Company that it knows or should know, upon reasonable investigation and inquiry, is untrue or fails to state a material fact necessary to make a statement contained therein not misleading.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PURCHASER

5. Rearesentations and Warranties of Purchaser. Purchaser hereby represents and warrants to Shareholders as follows:

5.1 Power and Authority; Consent. The Purchaser has full power and authority to execute, and deliver this Agreement and the Ancillary Agreements and to perform their obligations hereunder. This Agreement constitutes the valid and legally binding obligation of the Purchaser, enforceable in accordance with its terms and conditions. The execution, delivery and performance by the Purchaser of this Agreement and the Ancillary Agreements will not require the consent, approval, or authorization of any person, entity or governmental authority other than Purchaser's lenders, and the FCC.

5.2 Noncontravention Neither the execution and delivery of this Agreement and the Ancillary Agreements, nor the performance of Purchaser's obligations thereunder, will in any mateiial respect: (i) violate any statute, regulation, rule, writs, judgment, order, decree, stipulation, injunction, charge, or other restriction of any government, governmental agency, or court to which Purchaser is subject; (ii) conflict with, or result in a breach of, constitute a default under, conflict with or result in the termination or alteration of, the provisions of any agreement or other instrument to which the Purchaser is a party; or (iii) will not accelerate any obligation of the Purchaser.

5.3 Organization. Oualification. and Corporate Power. The Purchaser is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Florida. The Purchaser has full corporate power and authority pursuant to its organizational and corporate documents and all applicable laws to carry on its business in which it is engaged and to own and use all the properties owned and used by it. The Purchaser is qualified to do business in the States of Alabama and Florida. The Purchaser is not in default under or in violation of any provision of its charter.

5.4 Litigation. The Purchaser: (i) is not subject to any unsatisfied judgment, order, decree, stipulation, or charge which would enjoin, prohibit or otherwise challenge the transactions contemplated hereby; (ii) is not a party or threatened to be made a party to any pending judicial litigation, action, suit or proceeding which might reasonably be expected to enjoin, prohibit or otherwise challenge the transaction contemplated hereby; and (iii) is in compliance in all material respects with all applicable statutes and regulations of all governmental authorities an agencies having jurisdiction over the Purchaser. There are no factors or circumstances which might reasonably be expected to be a basis of any judicial action, suit or proceeding involving the business or operation of the Purchaser which, if adversely determined, might reasonably be expected to enjoin, prohibit or otherwise challenge the transactions contemplated hereby.

5.5 No Material Misrepresentations. Neither this Agreement, the Ancillary Agreements or any supporting documentation or certificate presented by the Purchaser in connection herewith and therewith, contains or will contain, any untrue statement of a material fact, or omits *or* will omit to state a material fact necessary to make the statements contained therein not misleading. All representations and warranties of the Purchaser set forth in this Agreement and the Ancillary Agreements shall be true, complete and accurate in all material respects as of the Closing Date as if made on that date. Moreover, no representation or warranty shall be made by the Purchaser that it knows or should know, upon reasonable investigation and inquiry, is untrue or fails to state a material fact necessary to make a statement contained therein not misleading.

ARTICLE VI
COVENANTS OF SHAREHOLDERS
AND PURCHASER PRIOR TO CLOSING

6. Pre-Closing Covenants. The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing:

6.1 General. Each of the Parties will use commercially reasonable efforts to take all action and to do all things necessary, proper, or advisable to consummate and make effective the transactions contemplated by this Agreement (including satisfying the closing conditions set forth in Article VII below). In addition, each of the Parties will not take any other action or omit to take any action which would materially delay FCC approval of the transactions contemplated hereby. The Parties agree that for the terms of this Agreement, none of the Parties, nor their officers, directors, employees, consultants, advisors or affiliates (the "Representatives") will initiate any contact or discussion of any kind whatsoever with any third party for the direct or indirect purchase or sale of the Station or any portion of the Station Assets.

6.2 Operation of Business. From the date hereof until the Closing Date, Shareholders will exercise their best efforts not to cause or permit the Company to engage in any practice, take any action, embark on any course of inaction, or enter into any transaction outside the ordinary course of business. Without limiting the generality of the foregoing, Shareholders will exercise their best efforts not to cause the Company, without prior consultation with and written approval of Purchaser, to: (i) sell, assign or otherwise dispose of any of the Company Shares; (ii) operate the Station other than in material compliance with the FCC's rules and policies and the terms and conditions of the Station's Licenses; or (iii) operate the Station other than in a manner which is consistent with current and past business practices.

6.3 Full Access and Consultation Shareholders will permit and will cause the Company to permit Purchaser or its Representatives to have full access, during normal business hours and in a manner so as not to interfere with the normal business operations of the Station prior to Closing, to the operations, premises (including the tower), properties, books, records, contracts, agreements, leases, commitments, and documents of or pertaining to the Company or furnish to Representatives of Purchaser any information with respect to the affairs and business of the Station for the purpose, among other things, to verify the accuracy of the representations and warranties of Shareholders and the Company contained in this Agreement, and to prepare for the consummation of the transactions contemplated by this Agreement. Shareholders and Company shall furnish to Purchaser all information concerning the Company's business affairs as Purchaser may reasonably request. If the transactions contemplated by this Agreement shall not be consummated, Purchaser will promptly return any such data, documents, books and records held by Purchaser.

6.4 Nondisclosure. Except as and to the extent required by law, without the prior written consent of the other Party, neither Party will, and each will direct its representatives not to make, directly or indirectly, any public comment, statement or communications with respect to, or otherwise to disclose or permit the disclosure of the existence of discussions regarding, a possible transaction between the Parties, this Agreement, or any of the terms, conditions, or other aspects of the possible transactions. If a Party is required by law to make any such disclosure, it must first provide to the other party the content of the proposed disclosure, the reasons that such disclosure is required by law, and the time and place that the disclosure will be made. Any disclosures required to be made to the FCC or the Purchaser's lenders shall be exempt from the requirements of this subsection.

6.5 Company Shares. Shareholders shall not cause the Company to issue any new Company Shares between the date of this Agreement and the Closing Date.

6.6 Transfer of Excluded Assets. Shareholders will cause the Company to convey and assign the assets listed in this subsection (the "Excluded Assets") to Shareholders or to Shareholders' designee prior to, or as of, the Closing Date, and Purchaser shall cooperate with all reasonable requests of Shareholders in connection with such transfer. In the event that any Excluded Assets remain in the Company as of the Closing Date, the Shareholders will indemnify

Purchaser for any liabilities arising from the continuance of such Excluded Assets in the Company pending assignment thereof to Shareholders or to Shareholders' designee. The failure of the Company to transfer the Excluded Assets shall not prevent the Parties from closing on the transactions contemplated herein, but shall permit the Purchaser, as its sole discretion, to delay closing until the Excluded Assets are transferred. The Excluded Assets shall include the following:

(i) All cash (excluding the AM Station Purchase Fund, as defined below, and cash deposits for providing goods and services after the Closing Date) of the Company existing up to and including the Closing Date; however, if, as of the commencement of the LMA, the Company holds deposits from advertisers for commercials to be broadcast on the Station after the commencement of the LMA, the Company shall convey all such deposits to Purchaser, who in turn shall be responsible for broadcasting the commercials or if the Purchaser is required to assume certain liabilities of the Company, the Purchaser shall be entitled to any advance payments the Company shall have received for said liabilities;

(ii) All accounts receivable and trade accounts of the Company arising out of the operation of the Station prior to the Closing Date, except for the accounts receivable and trade accounts generated as a result of the LMA;

(iii) All licenses and authorizations for the operation of the AM Station, and all other intangible properly owned by the Company, including but not limited to the call signs, slogans, jingles, promotional phrases, trademarks, tradenames, servicemarks, logos, copyrights, computer software, magnetic media, electronic data processing files, systems and programs, business lists, trade secrets, and sales and operating plans as listed on Schedule 6.6(iii), other than the Relocation Permit and Relocation License for the Station, and

(iv) All fixed and tangible personal and real property owned by the Company as listed on Schedule 6.6(iv), other than property located solely at the transmitter site authorized by the Relocation Permit and Relocation License whose purchase or acquisition will have been made by virtue of funds furnished or reimbursed by the Purchaser.

6.7 <u>Proceeds from the Sale of the AM Station.</u> Prior to or on the Closing Date, the Company shall close on the sale of the Excluded Assets to Pulaski Broadcasting, LLC ("PBL") for the amount of Two Hundred Thousand Dollars ($200,000.00) (the "AM Station Purchase Fund). On the Closing Date, the Company shall hold the intangible personal property for the Station except as set forth on Section 6.6 above, the Station Licenses, and the AM Station Purchase Fund. No other assets, including, but not limited to, any readily available cash other than the AM Purchase Fund, and the real and personal property for the AM Station, shall be held by the Company upon purchase of the Company Shares by Purchaser. Failure by the Company to assign the Excluded Assets by the Closing Date shall not prevent the Parties from closing, but shall permit the Purchaser to deduct the AM Station Purchase Funds from the sales price and immediately take the necessary steps to assign the Excluded Assets to PBL.

ARTICLE VII
POST-CLOSWG COVENANTS

7.1 General. In case at any time after the Closing any further action is necessary or desirable to carry out the purposes of this Agreement and the Ancillary Agreements, each of the Parties will take such further action (including the execution and delivery of such fnrther instruments and documents) as any other Party reasonably may request, at the sole cost and expense of the requesting party.

7.2 Confidentiality. Each of the Company, the Shareholders and the Purchaser will treat and hold as confidential all Confidential Information, refrain from using any of the Confidential Information except in connection with this Agreement, and at the Closing, the Company and the Shareholders shall deliver promptly to the Purchaser all tangible embodiments (and all copies) of the Confidential Information which are in his or its possession. In the event that either Party is requested or required (by oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, it will notify the other Party promptly of the request or requirement so that the other Party may seek an appropriate protective order or waive compliance with the provisions of this Section. If, in the absence of a protective order or the receipt of a waiver hereunder, either Party is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, such Party may disclose any Confidential Information to the tribunal, provided, however, that the disclosing Party shall use his or her best efforts to obtain, at the request of the other Party, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as the other Party shall designate. The foregoing provisions shall not apply to any Confidential Information that is generally available to the public immediately prior to the time of disclosure. For purposes of this Agreement, the term "Confidential Information" shall include, but not be limited to, business, financial and operational records of either Party, marketing and advertising plans, and such other proprietary information, provided that the Confidential Information is not already known or available to the public.

7.3 Consistency. All parties will report the transactions undertaken on this Agreement and the Ancillary Agreements in a fashion consistent with the characterizations given to them herein, both in tax reports and returns; administrative filings; and in any judicial or administrative proceeding, including by way of example only, tax audits and proceedings. Each party will notify the other promptly in writing if these characterizations are put in question in any judicial or administrative proceeding.

ARTICLE VIII
TERMINATION

8.1 Termination This Agreement may be terminated upon sixty (60) days written notice as follows:

(i) By any Party upon failure of the FCC to fully grant the applications described in Article III hereof, provided that the Party terminating is not in material default. In the event that any Party terminates this Agreement pursuant to this subsection, the Farmers Bank Escrow and Colonial Bank Escrow shall be disbursed to the Purchaser and Shareholders, respectively, along with any accrued interest for each respective account;

(ii) By either the Company and Shareholders on the one hand and the Purchaser on the other if the other Party is in material default of this Agreement or the Ancillary Agreements, and the terminating Party is not in material default, the Colonial Bank Escrow and Farmers Bank Escrow, along with any accrued interest for each respective account, shall be disbursed and returned as provided for in Sections **8.3** and **8.4;** and

(iii) Automatically if the Purchaser does not exercise the Option by the end of the Option Period. If Purchaser does not exercise the Option during the Option Period but the conditions specified in Article III are fully satisfied by the Shareholders, the Colonial Bank Escrow and the Farmers Bank Escrow, along with any accrued interest for each respective account shall be returned and disbursed to Shareholders as provided for in Section **8.3.** If Purchaser does not exercise the Option during the Option Period pursuant to Section 1.2(ii), then the Colonial Bank Escrow and the Farmers Bank Escrow, plus any accrued interest for each account, shall be returned to the Shareholders and Purchaser, respectively.

8.2 Default and Remedies.

(i) Purchaser's Default Defined. As used in this Agreement, "Purchaser's Default" shall mean all material breaches by Purchaser of this Agreement or the Ancillary Agreements, including, but not limited to:

(a) Failure by Purchaser to timely file or diligently prosecute any pleadings or applications as required by this Agreement; or

(b) Failure by Purchaser to fulfill its representatbns, warranties, covenants, and agreements as provided for herein.

(ii) Shareholders' Default Defined. **As** used in this Agreement, "Shareholders' Default" shall mean all material breaches by Shareholders of this Agreement, including, but not limited to:

(a) Failure by Shareholders to timely file or diligently prosecute any pleadings or applications as required by this Agreement; or

(b) Failure by Shareholders to fulfill their representations, warranties, covenants and agreements as provided for herein.

(iii) Company's Default Defined. As used in this Agreement, "Company's Default" shall mean all material breaches by the Company of this Agreement, including, but not limited to:

(a) Failure by the Company to timely file or diligently prosecute any pleadings or applications as required by this Agreement; or

(b) Failure by the Company to fulfill its representations, warranties, covenants and agreements as provided for herein.

8.3 Shareholders' Remedies. If Purchaser defaults in any material respect in the performance of any of its obligations under this Agreement, and has not cured said default within sixty (60) days of written notice from the Company and the Shareholders of the default; and as a result of such default the transaction contemplated hereunder is not consummated, and if Shareholders and the Company are not in material default in the performance of their obligations hereunder, the Farmers Bank Escrow Agent shall deliver to Shareholders the Farmers Rank Escrow with any interest thereon, as liquidated damages to compensate Shareholders for any loss that they may have suffered as a result of Purchaser's Default and Colonial Bank shall return the Colonial Rank Escrow to Shareholders, along with any accrued interest thereon. Purchaser acknowledges that damages that Shareholders would suffer as a result of a default by Purchaser are not readily ascertainable, but include, among other losses, the potential loss of other opportunities to sell while the Station was "off the market." Accordingly, Purchaser and Shareholders have agreed that the amount of the Farmers Bank Escrow is a reasonable amount for liquidated damages. Upon delivery of this sum to Shareholders from the Farmers Bank Escrow Agent, Purchaser shall have no further responsibility or liability whatsoever to Shareholders as a result of Purchaser's Default.

8.4 Purchaser's Remedies. If the Company or any of the Shareholders default, in any material respect in the performance of any of their obligations under this Agreement, and has not cured said default within sixty (60) days of written notice from the Purchaser of the default; and as a result of such default the transaction contemplated hereunder is not consummated, and if Purchaser is not in material default in the performance of its obligations hereunder, (i) the Colonial Bank Escrow Agent shall deliver to Purchaser the Colonial Bank Escrow with any interest thereon, as compensation for Purchaser's costs associated with the delay in consummating the transactions described herein; (ii) the Farmers Bank Escrow Agent shall return Farmers Bank Escrow to Purchaser, along with any accrued interest thereon; and (iii) the Company and Shareholders acknowledge and agree that the Purchaser shall be entitled to bring a suit for specific performance to require the Company and the Shareholders to close on the transactions contemplated hereunder, as any damages that Purchaser would suffer as a result of the default of the Company and Shareholders are not readily ascertainable, but include, among other losses, the loss of the Station, which is unique. The Company and Shareholders acknowledge and agree that the remedies for disbursement of the Colonial Bank Escrow and specific performance are separate remedies, and not a substitute for each other and the Colonial Bank Escrow shall be used to compensate Purchaser for costs associated with a delay in ownership of the Company Shares. Notwithstanding the remedies set forth above, if the remedy of specific performance is not available to Purchaser, then Purchaser shall be entitled to compensatory damages.

8.5 Closing Date. The Closing Date shall be ten (10) days after the FCC issues a Final Order granting the WKSR-FM Community Change, the Relocation Applications, and the

Transfer Application. The closing shall occur at the offices of STG in Huntsville, Alabama or at a location mutually agreed upon by the parties.

ARTICLE IX
<u>MISCELLANEOUS</u>

9.1 <u>Expenses</u>. Each Party shall be responsible for their own legal, accounting and other fees incurred in the preparation and consummation of this Agreement and the Ancillary Agreements, and such fees shall be borne by the Party incurring the same.

9.2 <u>Notices</u>. All necessary notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed duly given when delivered or mailed by certified mail, postage prepaid, by overnight mail service with receipt confirmation, or by facsimile transmission with receipt confirmation, addressed as follows:

(i) If to Shareholders or the Company:

Hershel Lake
Pulaski Broadcasting, Inc.
308 West College Avenue
Pulaski, TN 38478
Telephone (931) 363-3544
Facsimile (931) 363-4319

With a copy to (which shall not constitute notice):

Robert **S.** Stone, Esq.
McCampbell & Young, PC
P.O. Box 550
Knoxville, TN 37901-0550
Telephone (865) 637-1440
Facsimile (865) 546-9808

(ii) If to Purchaser:

J. Michael Linn
Black Crow Media Group, LLC
126 West Internatioml Speedway Boulevard
Daytona Beach, FL 32114
Telephone: (386) 255-9300
Facsimile: (386) 255-8822

With a copy to (which shall not constitute notice):

David G. O'Neil, Esq.
Manatt, Phelps & Phillips, LLP
1501 M Street, NW
Suite 700
Washington, DC 20005
Telephone: (202) 955-3931
Facsimile: (202) 463-4394

9.3 Non-Material Breaches. Except as provided herein, only material breaches, failures and defaults, and not non-material events or matters, shall constitute a reason for termination of this Agreement.

9.4 Entire Agreement. This Agreement and the Ancillary Agreements (including all exhibits, schedules and attachments) supersede any prior agreements and are the only agreements between the Parties and contains all of the terms agreed upon with respect to the subject matter hereof being entered into by the Parties simultaneously herewith.

9.5 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each counterpart were on the same instrument. The Agreement may not be altered or amended except in writing.

9.6 Headings. The headings of the sections of this Agreement are for convenience only and in no way modify, interpret or construe the meanings of specific provisions of the Agreement.

9.7 Severability. In case any one or more of the provisions contained in this Agreement should be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions herein shall not in any way be affected or impaired therein. Any such invalid provision shall be given effect to the extent possible or shall be reformed so as to make it enforceable and valid while preserving the original intent of the Parties.

9.8 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Tennessee and the Parties agree that any **legal** action arising pursuant to this Agreement shall be brought before a court of competent jurisdiction in Giles County, Tennessee.

9.9 Waiver. No delay or failure on the part of any Party hereto in exercising any right, power or privilege under this Agreement, the Ancillary Agreements or under any other instrument or document given in connection with or pursuant to this Agreement shall impair any such right, privilege, or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude any further exercise of such right, power and privilege. No waiver shall be valid against any Party hereto unless made in writing and signed by the Party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

9.10 Binding Effect. This Agreement and the Ancillary Agreements shall be binding upon the Parties hereto and upon their permitted assigns and successors in interest as if they were the Parties hereto.

9.11 Public Announcement of Transaction The Shareholders, Purchaser and Company shall jointly prepare and determine the timing of any press release or other announcement to the public relating to the execution of this Agreement. No Party hereto will issue any press release or make any other public announcement relating to the transaction contemplated by this Agreement without the prior consent of each Party hereto, except that any Party may make any disclosure required to be made by it under applicable law (including the federal securities laws) if it determines in good faith that it is appropriate to do so and gives prior notice to each other Party herein.

9.12 No Party Deemed Drafter. Each Party has been represented by its own counsel in connection with the negotiation and preparation of this Agreement and, consequently, no Party will be deemed the drafter of this Agreement and if this Agreement is construed by a court of law such court should not construe this Agreement or any provision against any Party as its drafter.

9.13 References. The use of singular, plural, neuter, female or male terms in this Agreement shall not be restrictive but shall be understood to include the use of all such terms.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties **have caused** ***this*** Option Agreement to be executed on the **date first** above written.

STG MEDIA, LLC

By: **Black** Crow Media Group, LLC
Manager

Nancy L. Pain
Witness

J. Michael Linn
Manager

Witness

10/15/02
Date

SHAREHOLDERS OF PULASKI BROADCASTING, INC.

By: ____________________
S. Hershel Lake

Witness

Date: ____________________

Witness

By: ____________________
Geraldine Vaughn Lake

Date: ____________________

Witness

By: ____________________
Steven C. Lake

Witness

Date: ____________________

Witness

IN WITNESS WHEREOF, the Parties have caused this Option **Agreement** ***to* be executed *on*** the ***date*** first **above** written.

STC MEDIA, LLC

By: **Black** Crow **Media Group, LLC**
Manager

____
Witness

____
J. Michael Linn
Manager

____
Witness

____
Date

SHAREHOLDERS OF PULASKI BROADCASTING, INC.

David C. Lake
Witness

By: S. Hershel Lake
S. Hershel Lake

Geraldine V. Lake
witness

Date: 10-14-02

S. Hershel Lake

By: Geraldine Vaughn Lake
Geraldine Vaughn Lake

David C. Lake
Witness

Date: 10-14-02

Geraldine V. Lake
Witness

By: 10
Steven C. **Lake**

Date: ______________________

____
Witness

IN WITNESS WHEREOF, the Parties have caused this Option Agreement to be executed on the date first above written.

STG MEDIA, LLC

By: Block Crow Media Group, LLC
Manager

____
Wimess

____
J. Michael. Linn
Manager

____
Witness

____
Date

SHAREHOLDERS OF PULASKI BROADCASTING, INC.

____
Witness

By: ______________________________
S. Hershel Lake

____
Witness

Date: ______________________________

____

By: ______________________________
Geraldine Vaughn Lake

____
Witness

Date: ______________________________

____
Witness

By: ______________________________
Steven C. Lake

____
Witness

Date: 10/14/02

Witness

By: David C. Lake

Witness

Date: 10-14-02

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